

News Release

U.S. Department of Justice

*United States Attorney
Northern District of Ohio*

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William J. Edwards, Acting United States Attorney for the Northern District of Ohio, today announced that Louis H. Perkins was sentenced to a 24-month term of imprisonment. He pled guilty on January 22, 2008 to one count of willfully filing a false tax return and one count of willfully assisting and aiding others in the filing of false tax returns.

Perkins, 69, formerly of East Cleveland, Ohio, ran a tax preparation business under the name L.H. Perkins and Associates in East Cleveland, Ohio. Defendant aided and assisted in the preparation of tax returns for clients during tax years 2000 - 2006. Perkins willfully aided and assisted taxpayers in the preparation of Form 1040 U.S. Individual Income Tax Returns that were false and fraudulent as to material matters. For example, Perkins assisted taxpayers in claiming deductions for their personal residences as though the property was rental property. He also assisted taxpayers in claiming improper itemized deductions. Perkins also prepared false returns claiming individuals had self-employment income, in order to allow them to

claim the Earned Income Tax Credit, even though the taxpayer had no real income and was not entitled to the credit. As a result of Perkins's conduct, taxpayers received thousands of dollars in refunds they were not entitled to receive.

Perkins also failed to report the gross receipts from his tax preparation business on his own income tax returns. For tax year 2002, he failed to report \$54,639.95 in gross receipts. In 2000, he failed to report \$24,000, and in 2001, he failed to report \$32,414.60.

Following Perkins's guilty plea on January 22, he was permitted to remain free on bond, with the condition that he cease his tax preparation business. However, it was discovered that he prepared approximately 150 returns after his guilty plea. His bond was revoked on February 15, and he was remained in custody since that time.

In addition to serving 24-months imprisonment, Perkins was sentenced to 2 years of supervised release. He was also ordered to cooperate with the Internal Revenue Service in the collection of his back taxes.

The case was prosecuted by Assistant United States Attorney Matthew B. Kall following investigation by the Internal Revenue Service, Criminal Investigation Division.

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